



United States of America

v.

Edward Walsh Vaughan (1)

Hadi Akkad (2)

4:22CR162

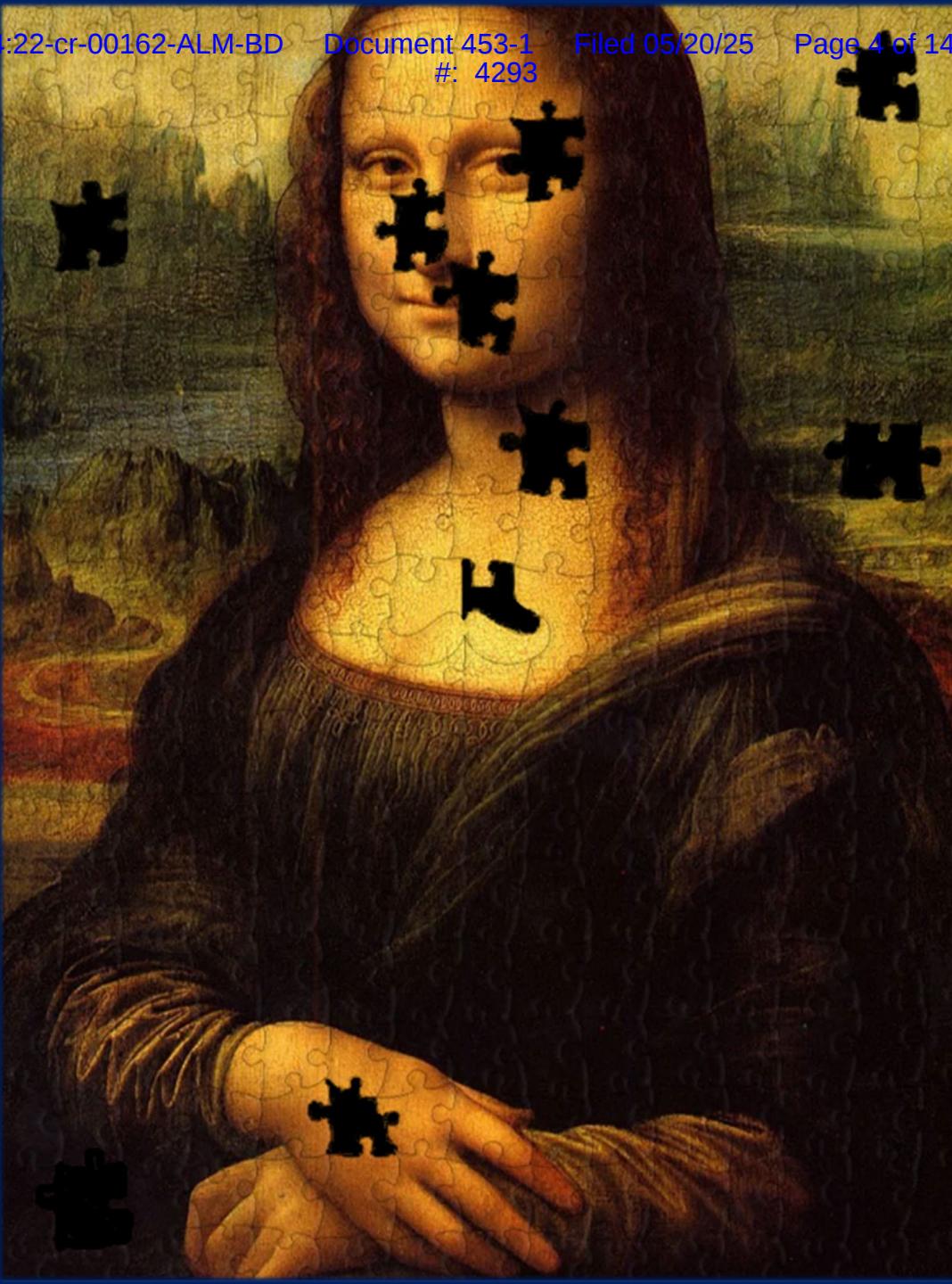
Chief Judge Amos Mazzant

Hidden Fees

Crooked Corporate Concealment

PERMISSIBLE TOOLS FOR JURY'S DECISION

1. Law
2. Evidence
3. Common sense



Conspiracy

Wire Fraud

Conspiracy

- ✓ Agreement to commit wire fraud [AGREEMENT]
- ✓ Knew the unlawful purpose [KNOWLEDGE]
- ✓ Joined in the agreement willfully, with the intent to further the unlawful purpose [INTENT]

Conspiracy

- ✓ Intentionally joining on one occasion - Sufficient to convict

Intent

Central issue

What does common sense say about the defendant's intent

Documentary Evidence

Emails



Financial records



Contracts



Billing statements



Call records



Database logins



Real estate records



Vehicle purchase records



Aircraft purchase records



Jewelry purchase records



Witnesses

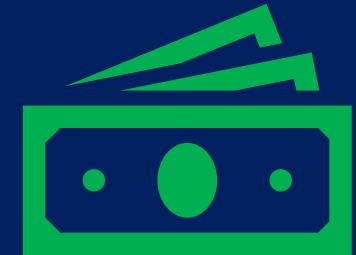
Merchant clients



ETS contractors



Financial analyst



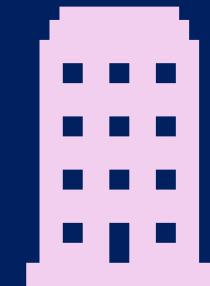
Law enforcement



Co-conspirators



Purchasing company



Layers of the Fraud Scheme

1. 30 bps does not appear in the agreement
2. 30 bps appears, double billed with discount rate
3. 30 bps charged on prepaid transactions
4. Revenue sharing with partners

Hidden Fee Wire Fraud Conspiracy Scheme

.3% or 30 basis points (bps)

| ADDED TO DEBIT | ADDED TO PREPAID | COMBINED WITH CREDIT | KEPT FROM PARTNERS |
|---|--|---|---|
| <p>Markup not shown in the merchant agreement for offline debit</p> <p>Victims: Sherman, City of Ogden, United Way, Red Cross</p> | <p>Markup not shown in the merchant agreement for prepaid transactions</p> <p>Victims: 7000+</p> | <p>Markup shown in the agreement for offline debit, but combined with another markup for credit</p> <p>Victims: 7000+</p> | <p>Full merchant client pricing not shown to business partners and revenue not shared</p> <p>Tyler Technology</p> |

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